



## NOTICE OF PROPOSED RULEMAKING INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 411

**DEPARTMENT OF HUMAN SERVICES**

**AGING AND PEOPLE WITH DISABILITIES AND DEVELOPMENTAL DISABILITIES**

**FILED**

10/07/2025 2:57 PM  
ARCHIVES DIVISION  
SECRETARY OF STATE

FILING CAPTION: APD: Amending OAR 411-027 to update community-based rates effective July 1, 2025

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 11/25/2025 5:00 PM

*The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.*

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971-345-1168  
cynthia.susee@odhs.oregon.gov

500 Summer Street NE, E-02  
Salem, OR 97305

Filed By:  
Kristina Krause  
Rules Coordinator

### HEARING(S)

*Auxiliary aids for persons with disabilities are available upon advance request. Notify the contact listed above.*

DATE: 11/20/2025

TIME: 2:30 PM

OFFICER: Staff

### REMOTE HEARING DETAILS

MEETING URL: [Click here to join the meeting](#)

PHONE NUMBER: 1-669-254-5252

CONFERENCE ID: 1618849086

### SPECIAL INSTRUCTIONS:

Special Instructions: Please join within the first 15 minutes if planning to speak. The hearing will end after 30 minutes if no one joins or provides comments.

Everyone has a right to know about and use ODHS programs and services. ODHS offers free help, so services are available to all. Support may include:

- American Sign Language (ASL) or spoken language interpreters
- Live captioning
- Written materials in other languages
- Braille, large print, audio, or other formats

For help with understanding these rules or to request support, contact Cindy Susee at 971-345-1168 or [cynthia.susee@odhs.oregon.gov](mailto:cynthia.susee@odhs.oregon.gov) at least five business days before the hearing.

ODHS accepts calls through all types of relay services.

Written Comments: Written comments must be received by 5 p.m. on November 25, 2025. Email comments to [apd.rules@odhs.oregon.gov](mailto:apd.rules@odhs.oregon.gov) or mail comments to ODHS APD Rules Coordinator, 500 Summer Street NE, E-02,

Note: All comments about this rulemaking will be posted later on the Office of Aging and People with Disabilities Rules webpage at <https://www.oregon.gov/odhs/rules-policy/Pages/apd-rules.aspx>. This helps keep the public informed.

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#### NEED FOR THE RULE(S)

The Department is amending OAR chapter 411, division 027 to increase the Legislatively approved Medicaid rates effective July 1, 2025.

Note: Other changes may be made to these rules to fix grammar, improve word choices, make terms consistent, respond to public comments, or improve how clear and accurate the rules are.

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#### DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

2025-2027 Legislative ODHS Budget Note

<https://olis.oregonlegislature.gov/liz/2025R1/Downloads/MeasureDocument/SB5526/Enrolled>

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#### STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

Oregon Legislature approves community-based care rates for Assisted Living Facilities, Residential Care Facilities, Memory Care Facilities and In-Home Care Agencies. This rule updates the legislatively approved rates and are relevant to all licensed community-based care facilities mentioned who serve individuals receiving Medicaid, no matter the race, gender or ethnic background.

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#### FISCAL AND ECONOMIC IMPACT:

The Fiscal and Economic Impact is stated in the Department's Statement of Cost of Compliance.

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#### COST OF COMPLIANCE:

*(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).*

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s).

State Agencies: The fiscal impact is approximately \$11.59M for the increase July 1, 2025, through June 30, 2026. The Department estimates these costs for Residential Care Facilities, Assisted Living Facilities, Memory Care Facilities (Endorsed units-only), and Contracted In-Home Care Agencies. Increases were granted by the Oregon Legislature.

Units of Local Government: The Department estimates there will be no fiscal or economic impact on units of local government

Consumers: The Department estimates there will be no fiscal or economic impact on consumers.

Providers: The fiscal impact of this rate change, amongst all providers, is approximately \$32M for the increase July 1, 2025, through June 30, 2026.

Public: The Department estimates there will be no fiscal or economic impact on the public.

(2) Effect on Small Businesses:

(a) Estimate the number and type of small businesses subject to the rule(s);

There are currently over 310 Assisted Living Facilities, Residential Care Facilities, Memory Care Facility settings with a capacity of 50 or less, or 295 with a capacity of 49 or less. There are approximately 99 In-home Agency providers, most of which may be considered small businesses as defined by ORS 183.310.

(b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s);

The proposed changes impact providers as described in the Department's statement of cost of compliance.

(c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

The proposed changes impact providers as described in the Department's statement of cost of compliance.

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DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

Small businesses will be included in the public review and comment period.

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WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? NO IF NOT, WHY NOT?

A Rule Advisory Committee (RAC) was not convened. APD was granted an exception to the RAC process by the ODHS Administrative Rules Program Coordinator, because APD must comply with rate increases approved by the Executive Branch and legislature. Community-based care providers and community partners were aware of the increased rates that were granted by the Oregon Legislature. APD sent notification of the rate changes through a Provider Alert and multiple provider associations who communicated the rate increases to their members. APD Rules Coordinator will send a notification to community partners, legislators, and interested parties with the rulemaking hearing date and details, and that comments may be submitted through the end of the public comment period. The rate changes allow providers to continue, which is favorable to all Medicaid providers.

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AMEND: 411-027-0170

RULE SUMMARY: Amended rule addresses the approved budget rates from July 1, 2025, that were approved during the 2025 legislative session. These changes update Medicaid rates to assisted living, residential care and memory care facilities, and in-home agencies.

CHANGES TO RULE:

411-027-0170

Rate Schedule for Home and Community-Based Services ¶¶

(1) ~~The effective monthly rates for July 1, 2023 to June 30, 2024 are as follows:¶¶~~

~~(a) Residential Care Facilities:¶¶~~

~~(A) Base—\$2,279.00.¶¶~~

~~(B) Base plus 1 add-on—\$2,722.00.¶¶~~

~~(C) Base plus 2 add-ons—\$3,165.00.¶¶~~

~~(D) Base plus 3 add-ons—\$3,608.00.¶¶~~

~~(E) Hourly Exception Rate - \$19.21 per hour.~~

~~(b) Adult Foster Homes: Rates shall be paid in accordance with the terms of collective bargaining agreements negotiated between the Service Employees International Union and the State of Oregon.~~

~~(c) Assisted Living Facilities:~~

~~(A) Level 1 - \$1,830.00.~~

~~(B) Level 2 - \$2,268.00.~~

~~(C) Level 3 - \$2,846.00.~~

~~(D) Level 4 - \$3,574.00.~~

~~(E) Level 5 - \$4,298.00.~~

~~(d) Memory Care Facilities (Endorsed Units Only) - \$5,977.00 per month.~~

~~(e) Contracted In-Home Care Agencies Rate - \$36.24 per hour.~~

~~(f) Home Delivered Meals - \$12.25 per meal.~~

~~(2) The effective monthly rates for July 1, 2024 to June 30, 2025, are as follow~~Rates below are in effect starting July 1, 2025.

(2) Monthly Rates:

~~(a) Residential Care Facilities:~~

~~(A) Base - \$2,39863.00.~~

~~(B) Base plus 1 add-on - \$2,8593,421.00.~~

~~(C) Base plus 2 add-ons - \$3,325979.00.~~

~~(D) Base plus 3 add-ons - \$3,7914,537.00.~~

~~(E) Hourly Exception Rate - \$20.18 per hour.~~

~~(b) Adult Foster Homes: Rates shall be paid in accordance with the terms of collective bargaining agreements negotiated between the Service Employees International Union and the State of Oregon.~~

~~(c) Assisted Living Facilities:~~

~~(A) Level 1 - \$1,92280.00.~~

~~(B) Level 2 - \$2,382454.00.~~

~~(C) Level 3 - \$2,983,079.00.~~

~~(D) Level 4 - \$3,753866.00.~~

~~(E) Level 5 - \$4,513649.00.~~

~~(d) Memory Care Facilities (Endorsed Units Only) - \$6,27346.00 per month.~~

~~(e) Contracted In-Home Care Agencies Rate - \$38.089,40 per hour.~~

~~(f) Home Delivered Meals Rate - \$12.25 per meal.~~

Statutory/Other Authority: ORS 410.070

Statutes/Other Implemented: ORS 410.070